

EXHIBIT A TO PRIME CLERK APPLICATION

Engagement Agreement



Prime Clerk LLC Engagement Agreement

This Agreement is entered into as of May 3, 2017, between Prime Clerk LLC ("**Prime Clerk**") and the Financial Oversight and Management Board for Puerto Rico (the "**FOMB**").

In consideration of the promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Services

- (a) Prime Clerk agrees to act as Calculation, Information, and Notice Agent under Title VI of the Puerto Rico Oversight, Management, and Economic Stability Act ("**PROMESA**") and/or to act as Solicitation, Notice, and Claims Agent under Title III of PROMESA and to provide any other services in connection therewith as agreed upon by the FOMB and Prime Clerk or otherwise required by applicable law, governmental regulations or court rules or orders, including for the avoidance of doubt, providing legal noticing (including consultation services), assistance with the preparation of first day motions and petitions, claims management and reconciliation, solicitation on any plans of adjustment, balloting, disbursements, and preparation of schedules (all such services collectively, the "**Services**").
- (b) The FOMB acknowledges and agrees that Prime Clerk will take direction from the FOMB and the Commonwealth of Puerto Rico and the Puerto Rico Sales Tax Financing Corporation (collectively, the "**Government**") and each of their representatives, employees, agents and/or professionals (collectively, the "**Debtor Parties**") with respect to providing Services hereunder; *provided, however*, that in the case of a conflict, the direction of the FOMB and its representatives, employees, agents, and professionals shall control. The parties agree that Prime Clerk may rely upon, and the FOMB agrees to be bound by, any requests, advice or information provided by the Debtor Parties to the same extent as if such requests, advice or information were provided by the FOMB or the Government.
- (c) The FOMB agrees and understands that Prime Clerk shall not provide the FOMB or any other party (including the Government) with legal advice.
- (d) While providing services under this Agreement, Prime Clerk shall comply with all applicable laws, rules and regulations, as well as all applicable FOMB policies and rules, including without limitation the FOMB's Vendor Code of Conduct and its disclosure certification. A copy of the FOMB's Vendor Code of Conduct and its Vendor Conflict of Interest Disclosure Certification is attached as **Exhibit B** hereto.

2. Rates, Expenses and Payment

- (a) Prime Clerk will provide the Services on an as-needed basis and upon request or agreement of the FOMB and the Government, in each case in accordance with the rate structure provided to the FOMB, and incorporated by reference herein (the "**Rate Structure**", which is attached hereto as Exhibit A). For a case under Title III of PROMESA, payment for the Services provided by Prime Clerk will be pursuant to an order of the presiding Court approving Prime Clerk's retention (the "**Retention Order**"), the terms of which shall be in form and substance reasonably acceptable to the FOMB, the Government, and Prime Clerk. For the avoidance of



doubt, the FOMB shall not be liable for any and all fees and expenses incurred or any other amounts whatsoever under this agreement.

- (b) The Rate Structure sets forth individual unit pricing for each of the Services. The FOMB may request separate Services or all of the Services.

3. Retention by Court

If the Government restructures its debts under Title III of PROMESA, the FOMB shall, if applicable, seek authority from the presiding Court to retain Prime Clerk as Solicitation and Claims Agent, subject to section 2 above.

4. Confidentiality

- (a) The FOMB and Prime Clerk agree to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the Services provided hereunder; provided, however, that if any such information was publicly available, already in the party's possession or known to it, independently developed, lawfully obtained from a third party or required to be disclosed by law, then a party shall bear no responsibility for publicly disclosing such information.
- (b) If any party reasonably believes that it is required to disclose any confidential information pursuant to an order from a governmental authority, such party shall provide written notice to the other party promptly after receiving such order, to allow the other party sufficient time to seek any remedy available under applicable law to prevent disclosure of the information.

5. Bank Accounts

Subject to section 1(b) above, at the request of the FOMB or the Government Parties, Prime Clerk shall be authorized to establish accounts with financial institutions in the name of and as agent for the FOMB or the Government to facilitate distributions pursuant to a restructuring plan or other transaction. To the extent that certain financial products are provided to the FOMB or the Government pursuant to Prime Clerk's agreement with financial institutions, Prime Clerk may receive compensation from such institutions for the services Prime Clerk provides pursuant to such agreement.

6. Term and Termination

- (a) This Agreement shall remain in effect until terminated by either party: (i) on 30 days' prior written notice to other party; or (ii) immediately upon written notice for Cause (as defined herein). "**Cause**" means (i) gross negligence or willful misconduct of Prime Clerk that causes material harm to the FOMB's and the Government's restructuring efforts under Title VI or Title III of PROMESA, (ii) subject to the terms of the Retention Order, any applicable provisions of PROMESA, the Bankruptcy Code, and the Bankruptcy Rules, and any other applicable orders of the presiding Court, the failure of Prime Clerk to receive payment for more than 60 days from the date of invoice, (iii) the accrual of invoices or unpaid Services in excess of the advance held by Prime Clerk where Prime Clerk reasonably believes it will not be paid, or (iv) if the Retention Order, whether as proposed or as entered by the presiding Court, is not in form and substance reasonably acceptable to both the FOMB and Prime Clerk.



- (b) If this Agreement is terminated after Prime Clerk is retained pursuant to Court order, the FOMB promptly shall seek entry of a Court order discharging Prime Clerk of its duties under such retention, which order shall be in form and substance reasonably acceptable to Prime Clerk.
- (c) If this Agreement is terminated, Prime Clerk shall coordinate with the FOMB and the Government and, to the extent applicable, any applicable Court, to maintain an orderly transfer of record keeping functions, and Prime Clerk shall provide the necessary staff, services and assistance required for such an orderly transfer.
- (d) Prime Clerk's obligation to maintain the confidentiality of information as set forth in Paragraph 4 shall continue post termination of this Agreement.

7. No Representations or Warranties

Prime Clerk makes no representations or warranties, express or implied, including, without limitation, any express or implied warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

8. Non-Solicitation

The FOMB agrees that it shall not directly or indirectly solicit for employment, employ or otherwise retain as employees, consultants or otherwise, any employees of Prime Clerk during the term of this Agreement and for a period of 12 months after termination thereof unless Prime Clerk provides prior written consent to such solicitation or retention.

9. Force Majeure

Whenever performance by Prime Clerk of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, government requirement, strike, lock-out or other industrial or transportation disturbance, fire, flood, epidemic, lack of materials, law, regulation or ordinance, act of terrorism, war or war condition, or by reason of any other matter beyond Prime Clerk's reasonable control, then such performance shall be excused, and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

10. Choice of Law

The validity, enforceability and performance of this Agreement shall be governed by and construed in accordance with the laws of State of New York.

11. Arbitration

Any dispute arising out of or relating to this Agreement or the breach thereof shall be finally resolved by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. There shall be three arbitrators named in accordance with such rules. The arbitration shall be conducted in the English language in New York, New York in accordance with the United States Arbitration Act.



12. Integration; Severability; Modifications; Assignment

- (a) Each party acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, agreements and communications between the parties relating to the subject matter hereof.
- (b) If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.
- (c) This Agreement may be modified only by a writing duly executed by an authorized representative of the FOMB and an officer of Prime Clerk.
- (d) This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other; provided, however, that Prime Clerk may assign this Agreement to a wholly-owned subsidiary or affiliate without the FOMB or the Government's consent.

13. Effectiveness of Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which shall constitute one and the same agreement. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, which delivery may be made by exchange of copies of the signature page by fax or email.

14. Notices

All notices and requests in connection with this Agreement shall be sufficiently given or made if given or made in writing via hand delivery, overnight courier, U.S. Mail (postage prepaid) or email, and addressed as follows:

If to Prime Clerk: Prime Clerk LLC
830 3rd Avenue, 9th Floor
New York, NY 10022
Attn: Shai Waisman
Tel: (212) 257-5450
Email: swaisman@primeclerk.com

If to the FOMB: Financial Oversight and Management Board for Puerto Rico
26 Federal Plaza Room 2-128
New York, NY 10278]
Attn: Jaime El Koury
Tel: (212) 225-2570
Email: jelkoury@outlook.com

With a copy to: Proskauer Rose LLP
Eleven Times Square
New York, NY 10036
Attn: Scott Rutsky, Esq.

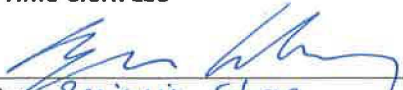
Prime Clerk 

Tel: (212) 969-3983
Email: srutsky@proskauer.com



IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

Prime Clerk LLC


By: Benjamin Schrag
Title: Executive Vice President

Financial Oversight and Management Board for Puerto Rico


By: Natalie Jaresko
Title: Executive Director

03 Prime Clerk Rates

DISCOUNTS FOR THIS ENGAGEMENT

COST

Initial 3 Month Discount

10% off monthly invoices (other than Media noticing, PACER, or postage related charges)

Additional 20% off hourly rates (other than Director of Solicitation and Solicitation Consultant)

Preferred Client Discount (following initial 3 months)

10% off monthly invoices (other than Media noticing, PACER, or postage related charges) until such discounts total \$300,000

Additional 10% off hourly rates for the life of the matter (other than Director of Solicitation and Solicitation Consultant)

Printing Discount

\$0.08 per image

Case Management

No charge

Michael Frishberg, Prime Clerk's COO, and Ben Schrag, Prime Clerk's Executive Vice President, both former restructuring attorneys with collectively over twenty five years of experience, will add an additional supervisory layer to this matter at no charge.

CLAIMS AND NOTICING RATES¹

Analyst The Analyst processes incoming proofs of claim, ballots and return mail, and physically executes outgoing mailings with adherence to strict quality control standards.	\$25-\$50
Technology Consultant The Technology Consultant provides database support for complex reporting requests and administers complicated variable data mailings.	\$35-\$95
Consultant/Senior Consultant The Consultant is the day-to-day contact for mailings, updates the case website, prepares and executes affidavits of service, responds to creditor inquiries and maintains the official claim register, including processing of claims objections and transfers. The Senior Consultant directs the data collection process for the master mailing list and Schedules & SOFA, oversees all mailings, performs quality control checks on all claims and ballots, and generates claim and ballot reports.	\$60-\$165
Director The Director is the lead contact for the company, counsel and advisors on the case engagement and oversees all aspects of the bankruptcy administration, including managing the internal case team. Prime Clerk's Directors have over ten years of experience and are typically former restructuring attorneys or paralegals.	\$170-\$195

¹ Prime Clerk does not charge overtime for any professional services it performs on weekends, holidays or after standard business hours. Additional professional services not covered by this rate structure will be charged at hourly rates, including any outsourced services performed under our supervision and control.

SOLICITATION, BALLOTING AND TABULATION RATES²

COST

Solicitation Consultant

\$185

The Solicitation Consultant reviews, tabulates and audits ballots, and executes plan solicitation and other public securities mailings. In addition, the Solicitation Analyst prepares customized reports relating to voting and other corporate events (such as exchange offers and rights subscriptions) and interfaces with banks, brokers, nominees, depositories and their agents regarding solicitations and other communications.

Director of Solicitation

\$210

The Director of Solicitation is the lead consultant in the plan solicitation process. The Director oversees and coordinates soliciting creditor votes on a plan of reorganization and will attest to solicitation processes and results. The Director also advises on public securities noticing and related actions, including voting, exchange offers, treatment elections, rights subscriptions and distributions and coordinates with banks, brokers, nominees, their agents and depositories to ensure the smooth execution of these processes.

PRINTING AND NOTICING SERVICES

Customization / Envelope Printing

\$0.05 each

Document Folding and Inserting

No Charge

Postage/Overnight Delivery

Preferred Rates

E-mail Noticing

No Charge

Fax Noticing

\$0.04 per page

Proof of Claim Acknowledgment Card

No Charge

Envelopes

Varies by Size

NEWSPAPER AND LEGAL NOTICE PUBLISHING

Coordinate and publish legal notices

Available on request

² Certain fees may be applicable to noticing, solicitation and corporate action events involving holders of public securities.

CASE WEBSITE

COST

Case Website Setup	No Charge
Case Website Hosting	No Charge
Update Case Docket and Claims Register	No Charge

CLIENT ACCESS

Access to Secure Client Login (Unlimited Users)	No Charge
Client Customizable Reports on Demand or Via Scheduled Email Delivery (Unlimited Quantity)	No Charge
Real Time Dashboard Analytics Measuring Claim and Ballot Information and Document Processing Status	No Charge

DATA ADMINISTRATION AND MANAGEMENT

Inputting Proofs of Claim and Ballots	Standard hourly rates (no per claim or ballot charge)
Processing Undeliverable Mail	No Charge
Electronic Imaging	\$0.05 per image
Data Storage, Maintenance and Security	\$0.05 per record, per month
Virtual Data Rooms	Available upon request

ONLINE CLAIM FILLING SERVICES

Online Claim Filing	No Charge
---------------------	-----------

CALL CENTER SERVICES

COST

Case-Specific Voice-Mail Box

No Charge

Interactive Voice Response ("IVR")

No Charge

Monthly maintenance

No charge

Call center personnel

Standard hourly rates

Live chat

Standard hourly rates

DISBURSEMENT SERVICES

Check issuance and/or Form 1099

Available on request

W-9 mailing and maintenance of TIN database

Standard hourly rates